

Solano County Health and Social Services
Proposal for enhanced IHSS Fraud Investigations and Program Integrity Efforts

IHSS Fraud Investigations Unit Proposal Summary

The purpose of the In-Home Supportive Services (IHSS) Program is to provide assistance to those eligible blind, aged and disabled individuals who are unable to remain safely in their own home without assistance. IHSS is a Medi-Cal program and IHSS providers are considered providers of personal care services.

While IHSS regulations determine the range of services, it is the recipient who drives the program. The recipient decides how, when, and in what manner IHSS services will be provided. In addition to being recipient-driven, IHSS is unique among programs in California's long-term care system in the types of services it provides. This is because IHSS employs a social model rather than a medical model. Services are determined by a social worker assessment rather than medical criteria. The social model focuses on activities of daily living and the IHSS recipient's ability to function in his or her own home.

The challenges facing IHSS are best viewed in the context of California's changing demographics. Currently, the State has 3.5 million people over the age of 65 - the largest older adult population in the nation. This figure is projected to increase by 172% over the next 40 years, with most of the growth occurring in the next 20 years. As the population ages and individuals become less able to care for themselves, there will be an increasing demand for personal assistance services.

With this increase in demand for services, there is also an increase in the potential for fraudulent activities to take place. To assist in the investigation of these fraud cases, and with the FY2009/10 approved State funding, Solano County Health and Social Services (SCHSS) is proposing to create its own IHSS Fraud Investigations Unit to increase the IHSS program integrity efforts in Solano County.

This new unit will include a 1.0 FTE Investigator II, a 1.0 FTE Social Worker III, and a 1.0 FTE Office Assistant to provide dedicated time to investigate, maintain data, work with community partners, and provide a constant resource for IHSS staff and the community to make fraud referrals. A dedicated phone line will be established to allow for the public and family members to contact the new unit to identify potential fraud and to have dedicated staff to investigate and follow up on referrals.

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IHSS Fraud Investigations Unit Proposal Narrative

IHSS Overpayments/Underpayments

Currently, Solano County Health and Social Services (SCHSS) through its Older and Disabled Adults (ODAS) Division manages the programmatic and fiscal aspects of the In Home Supportive Services (IHSS) programs including any overpayments or underpayments for services.

Upon notification of either a suspension or termination of services, the fiscal staff checks the hours worked against the date of suspension and/or termination to determine any overpayment of funds. If an overpayment is identified, the fiscal staff contacts the provider and make a demand for the overpayment amount both verbally and in writing. The demand letter is sent and copied to both the recipient and the Social Worker for follow up. If any payments are made in response to the demand letter, the fiscal staff notes that in the record and file. SCHSS does have current policies and procedures in place for handling IHSS overpayments.

There are also procedures in place for the Quality Assurance Unit to select a random sample of continuing cases to review each month and follow up with a scheduled home visit. If an overpayment is discovered and fraud is suspected, a referral is made to the California Department of Health Care Services and the State Bureau of Medi-Cal Fraud and Elder Abuse if it meets their threshold.

SCHSS also has a dedicated Investigator who performs unannounced verification checks to a random number of IHSS recipients and providers each month. Generally the investigator will be verifying that the recipient lives at the residence, has not moved to a higher level of care, or died. For provider verification referrals, the investigator will get a work schedule.

With the potential IHSS Fraud Investigations funding, and the new Investigations staff in place, it is the intent of SCHSS to further expand upon the process currently in place. The Social Worker and clerical support will be the main point of contact for suspension/terminations to ensure that payments are ended accordingly. By having dedicated staff to ensure that upon a change in circumstances, provider services cease in a timely manner, it is the intent that SCHSS will be able to prevent overpayments and or mitigate the amount that does occur. In addition, if demand letters are sent for overpayments, the new Social Worker and clerical staff will be able to follow up with current and former providers to ensure that overpayments are collected in a timelier manner.

It is also our intent to have a dedicated Social Worker and Investigator receive referrals from the primary Social Workers when they suspect that an overpayment has occurred. The Social Worker and the Investigator will conduct the investigation. If an overpayment is discovered the Social Worker will compute the overpayment amount.

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Fraud Referrals/Outcomes

SCHSS has current policies and procedures in place to direct staff to make fraud referrals in accordance with State law and local practices. If the suspected fraud meets the threshold, a referral is made to the California Department of Health Care Services.

In addition to these identified fraud cases, the Quality Assurance Coordinator for IHSS randomly selects 30 cases per month that meet specific criteria to refer to SCHSS' Special Investigations Bureau (SIB) for verification of services. As stated above, these verification checks are not fraud investigations, but merely opportunities to detect early signs of fraud. However, due to lack of funding and available staff, the SIB staff has a current backlog of over 50 verification checks that have not been completed.

Under the new IHSS Fraud Investigations unit, there will be a dedicated staff SIB Investigator who will not only investigate referrals of fraud, but will also be able to conduct the verification services in a timely manner.

During the investigation, the proposed Social Worker will be able to work with the recipient's primary social worker and the recipient themselves to assist with the identification and investigation of potential fraud activities.

With the new IHSS investigations unit, SCHSS will now be able to refer fraudulent overpayments to the District Attorney's Office under an existing contract for prosecution services. These services will be paid for with existing funding and will not utilize the IHSS fraud investigations and program integrity efforts funding.

The proposed office assistant will collect, compile, and maintain the data from both internal and external fraud referrals and track the outcomes.

Collaboration and Partnerships with District Attorney's Office

The Solano County District Attorney's office has both a welfare fraud prosecution unit and a Family Violence Unit that works on elder abuse cases. The proposed Investigator will work with these units to determine if there is a link between an elder abuse referral and the provider. This partnership will provide an opportunity to identify potential fraud cases, determine if the primary case worker needs to get involved and combine resources for the benefit of the program's integrity efforts.

Collaboration and Partnerships with California Department of Health Care Services and the California Department of Social Services

SCHSS and its IHSS Fraud Investigations unit will continue to follow its current policies and procedures to ensure that all fraud referrals that meet the criteria will be referred to the California Department of Health Care Services. In addition, the SIB Manager, ODAS Administrator, Public Authority Administrator, and the IHSS Manager will continue to be in contact with both the Departments of Health Care Services and Social Services and disseminate information to the IHSS fraud investigations unit.

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Mechanism for Tracking/Reporting

SCHSS agrees that it will utilize the tracking and reporting forms that will be created and revised by the California Department of Social Services to ensure the proper recording of data.

County's Current and Proposed Anti-Fraud Activities

In FY2007/08 the Solano County's IHSS program did not meet the State's compliance standard for annual reassessments. Per State requirements, SCHSS submitted a compliance plan with corrective actions in July, 2007 and files quarterly State reports which reflect significant improvements from the FY2007/08 reported compliance level. The Department made a concerted effort to increase the number of timely reassessments and as a result has achieved an 82 percent compliance level in June 2009.

Timely reassessments are important for a number of reasons. SCHSS' greatest concern is the health and safety of IHSS recipients as well as the authorization of the appropriate number of hours. If a recipient needs more hours authorized, usually staff will receive a call at the time of the increased need which usually occurs before the annual reassessment is done. Additional funding is needed to meet the increasing demands of the IHSS program and of an aging population that is in need of these services.

SCHSS supports the fraud prevention reform effort, including a revision of the timesheet which will in the future require a signature under penalty of perjury, and fingerprinting for all providers and recipients. Though the responsibility and control over the current timesheet lies with the California Department of Social Services, SCHSS continues to work with its statewide advocacy groups to encourage additional accountability through legislative and regulatory changes.

As recommended in the May 7, 2007 Grand Jury Report, SCHSS formed a Fraud Prevention Task Force and that group has continued to meet since May, 2007. Although, the initial unannounced visits pilot project was terminated, the Task Force has continued on with its work. The Task Force, with the participation of SIB, undertook a pro-active approach to implement an "early fraud preventative program". The Task Force identified six target groups, including providers who work 300 or more hours per month, for SIB staff to conduct unannounced verification visits. To the best of our knowledge, Solano is the only County to implement such a program.

Flyers announcing the unannounced visits are given to recipients at intake and reassessment home visits, during orientation, and are included in the IHSS enrollment packets as well as articles published in the Public Authority quarterly Newsletter that goes to all recipients and providers. Alerting providers and recipients to the unannounced visits was an important part of the fraud prevention plan.

In 2008, the State acknowledged the need to upgrade the existing 25-year old Case Management, Information and Payrolling Systems (CMIPS) for the IHSS program to ensure a more efficient and effective system for Counties. The current computer payrolling system does prevent more than the number of authorized hours being paid each pay period. The CMIPS II upgrade of the IHSS state-wide payrolling system will

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include more fraud prevention features when it is implemented in Solano County in 2010. Solano County is partnering with the State in the development of the upgrade.

County Proposed Budget for Utilization of Funds

Please see the attached budget summary.

Description of how the County will Integrate Other Program Integrity Efforts within the Plan

The Social Worker and the clerical staff for the proposed IHSS fraud investigations unit will report to the IHSS Manager who oversees the current fraud referral and prevention efforts. The Investigator position will report to the SIB manager as a peace officer so as to take advantage of existing investigation and law enforcement resources and databases. Locating the staff with the IHSS manager will allow for them to have access to existing resources and the ability to reach the providers and recipients in a more coordinated manner. The staff will also work with the IHSS management and case management staff to enhance communication between each other and other Adult Protective Services staff to assist with the identification, detection, and investigation of potential IHSS fraud.

Annual Outcomes Report

SCHSS agrees that it will utilize any format the California Department of Social Services deems acceptable for the annual outcomes report that SCHSS will submit by the required deadlines.

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IHSS Fraud Investigations Unit Budget Summary

Solano County Health and Social Services is proposing to add a 1.0 FTE Investigator II, a 1.0 FTE Social Worker III, and a 1.0 FTE Office Assistant II to staff the proposed IHSS Fraud Investigations Unit. Indirect costs are based on the FY 09/10 indirect cost rate established by CDSS in CFL 09/10-19. This rate includes operating costs for this program.

The following is a breakdown of the costs, along with the required match as required by the State for the funding proposals:

Personnel	FTE	Annual Salary and Benefits	Indirect cost @ 30%	Total cost	State Funding	Other Funding Sources
Welfare Fraud Investigator II	1.0	\$101,225	\$30,368	\$131,593	\$65,797	\$65,796
Social Worker III	1.0	\$96,273	\$28,882	\$125,155	\$125,155	\$ 0
Office Assistant II	1.0	\$56,381	\$16,914	\$72,295	\$63,445	\$ 8,850
IHSS Manager	0.1	\$16,915	\$5,075	\$21,990	\$0	\$21,990
SIB Manager	0.1	\$16,735	\$5,021	\$21,756	\$0	\$21,756
Total Personnel and Operating costs	3.2			\$372,789	\$254,397	\$118,392

ENCLOSURE D

County: SOLANO

Overpayments identified by County QA		04/05	05/06	06/07	07/08	08/09
Total Amount per Fiscal Year:		1050.70	314.33	23.10	16141.71	9337.60
Number of Instances:		1	1	1	2	3
Breakdown of Causes	Provider:	ALL PRO	ALL PRO	ALL PRO	ALL PRO	ALL PRO
	Recipient:					
	County Error:					
	Unknown:					
	Other:					

Underpayments identified by County QA		04/05	05/06	06/07	07/08	08/09
Total Amount per Fiscal Year:						
Number of Instances:						
Breakdown of Causes	Provider:					
	Recipient:					
	County Error:					
	Unknown:					
	Other:					

Fraud Referrals/Outcomes		04/05	05/06	06/07	07/08	08/09
Number of referrals to DHCS:				2	2	
Number handled locally by DA:						92
Number of convictions:						
Court Ordered Restitution:						
Amount of funds involved in the convictions:						
Amount of funds recovered:						
Amount of funds pending recovery:						
Basis for the Conviction:						
Individuals Responsible	Recipient:					
	Provider:					
	County Staff:					
	Other:					
	Unknown:					

ENCLOSURE D

Utilization of County DA for Fraud		04/05	05/06	06/07	07/08	08/09
Documented referrals to DA						
Outcomes	Accepted:					
	Rejected:					
	Pending:					
	Completed Investigation					
	No Fraud:					
	Restitution Action:					
	Referred for Prosecution:					
	Criminal Charges Filed:					
	No Charges Filed:					
	Convictions:					
	Acquittals:					
	Dismissals:					
	Pending Investigation:					
	Restitution					
	Court Ordered:					
	Restitution Action:					
	Fines					
	Prosecutions Completed					
	Convictions					
	Misdemeanor					
	Felony					

ENCLOSURE D**DEFINITIONS**

For purposes of program reporting, terms and concepts are defined as follows:

Documented Case Referral means:

Cases received through specified dates that substantially comply with the documented case referral protocol.

Documented Case Referrals are classified as:

Pending – cases awaiting review/case bank

Accepted – cases that are opened and assigned for investigation

Rejected – no further action will occur

Investigations

Investigation opened means cases in which an investigator or DDA has been assigned to a case.

Completed Investigation

Case is closed by court action or deemed unsubstantiated.

Cases

Multiple defendant cases should be counted as single cases, not a separate case for each defendant unless the number or names of the individual defendants are specified.

Fines

Are defined as fines imposed by the court. Penalty assessments may be included. Do not include booking fees, probation supervision fees or restitution.

Provider fraud

Fraud perpetrated by IHSS services.

Recipient fraud

Fraud perpetrated by the IHSS recipient.

Budget Justification

Solano County's Fraud Funding Plan for FY 2009-10

Budget Section	Total
A. Personnel Costs (includes employee benefits)	\$ 160,002
B. Operating Expenses	\$ 2,000
C. Equipment Expenses	\$ 8,000
D. Travel/Per Diem and Training	\$ 7,000
E. Subcontracts and Consultants	\$ 50,000
F. Other Costs	\$ 9,500
G. Indirect Expenses	\$ 40,000
Total Expenses	\$ 276,502

A. Personnel Costs (including employee benefits)	Total Budget
Title: Welfare Fraud Investigator II (1.0 FTE) Salary Calculation: FY 2009-2010 (five months) Salary (\$30,055) + benefits (\$15,382) Duties Description: Reviews fraud referrals and cases (based on established criteria) and determine sources of evidence to explore. Interviews client, provider, neighbors, landlords and others to obtain information verifying or refuting information provided by IHSS provider and client. Conducts surveillances. Determines if provider has made inaccurate statements and falsely reported information which would affect payment as a provider. Conducts home visits with Social Worker. Prepares investigative reports of findings. Will attend and participate in a variety of internal and external meetings such as inter-disciplinary case conferences including collaborating with the district attorney's office staff, inter-agency meetings, etc.	\$ 45,437
Title: Social Worker III (two positions - 2.0 FTE) Salary Calculation: FY 2009-2010 (five months) Salary (\$57,169) + benefits (\$29,751) Duties Description: Performs difficult casework dealing with highly complex client and provider issues. Will develop service plan; provides case consultation and will provide follow up on fraud cases. Will identify fraud cases that will be reported to the State and the District Attorney's office for prosecution, which may frequently involve court actions, and the need to testify and work in collaboration with the District Attorney staff and recoup overpayments. Will review and investigate referrals of fraud made by the primary IHSS social worker, collect, record and compute the overpayment amounts, interview clients and providers, neighbors, landlords and others in the community to obtain information needed for the investigations, work in collaboration with the fraud investigator and office assistant on fraud referrals and fraud cases. Applies appropriate methods and techniques in dealing with difficult clients, will work with clients and providers in a professional, ethical and empathetic manner. Will do accurate computations for IHSS intakes and renewals and be able to utilize multiple program systems. Will utilize interdisciplinary team approach in coordinating and conferring with attorneys, caseworkers, probation officers, mental health professionals, health professionals, community providers and support services. Will attend and participate in a variety of internal and external meetings such as inter-disciplinary case conferences including collaborating with the district attorneys office staff, inter-agency meetings, etc. Will provide case findings, outcomes and statistical information, reports and other related correspondents as need	\$ 86,920
Title: Office Assistant II (1.0 FTE) Salary Calculation: FY 2009-2010 (five months) Salary (\$16,824) + benefits (\$10,821) Duties Description: The office assistant will provide clerical support to the fraud investigation unit by completing clerical task such as typing, filing, faxing, answering telephones and accurately recording	\$ 27,645

information. Under general direction, performs a variety of complex and/or routine clerical work in support of the fraud investigations unit. Develops, receives, record and processes documents and information; determines routing of information, correspondence, and service requests based on the fraud investigation units operations. Will be able to utilize multiple program systems.	
Title: Salary Calculation: Duties Description:	\$
Title: Salary Calculation: Duties Description:	\$
Title: Salary Calculation: Duties Description:	\$
Total Personnel Costs:	\$ 160,002

B. Operating Expenses	Total Budget
Title: Office supplies Description: pens, paper, note pads, etc.	\$ 2,000
Title: Description:	\$
Title: Description:	\$
Total Operating Expenses:	\$ 2,000

C. Equipment Expenses	Total Budget
Title: Cellular phones (3) Description: Cost of cell phone equipment and estimated monthly charges	\$ 2,000
Title: Laptops for exclusive use of IHSS Fraud Investigation Unit (2) Description: Includes carrying case, cellular card, docking station, external monitor and wireless keyboard/mouse, software applications	\$ 6,000
Title:	\$

Description:	
Total Equipment Expenses:	\$ 8,000

D. Travel/Per Diem and Training	Total Budget
Title: Training-related mileage/travel expenses Description: Mileage, air fare, and accommodation costs to attend meetings and trainings	\$ 2,000
Title: Training for line staff and supervisors Description: Registration fees for Fraud prevention training	\$ 5,000
Title: Description:	\$
Total Travel/Per Diem and Training:	\$ 7,000

E. Subcontracts and Consultants	Total Budget
Title: DA Investigator Description: Provide consultation and direction to Social Worker and Welfare Fraud Investigator regarding possible cases to be prosecuted.	\$ 50,000
Title: Description:	\$
Title: Description:	\$
Total Subcontracts and Consultants:	\$ 50,000

F. Other Costs	Total Budget
Title: Assigned county vehicles Description: Monthly rental charges and maintenance fees	\$ 3,000
Title: Advertising/Marketing/Community Outreach Description: flyers, posters, brochures	\$ 5,000
Title: Bulletproof vest Description: Custom-made vest for Welfare Fraud Investigator	\$ 1000

Title: Toll-free phone line	\$ 500
Description: Estimated total monthly charges for a 1-800 phone line to report IHSS Fraud	
Title:	\$
Description:	
Total Other Costs:	\$ 9,500

G. Indirect Expenses	Total Budget
Title: Overhead/Generic Expenses	\$ 40,000
Description: Estimated distribution of generic overhead costs as claimed through County Expense Claim (e.g., A-87 costs, Department overhead, etc.)	
Title:	\$
Description:	
Total Other Costs:	\$ 276,502